

November 10, 2009

BY HAND

The Honorable Anne K. Quinlan Acting Secretary Surface Transportation Board 395 E Street, SW Washington, DC 20423 Office of Proceedings
NOV 1 0 2009
Part of

Re: Docket No. 42114, US Magnesium, L.L.C. v. Union Pacific Railroad Company

Dear Secretary Quinlan:

In accordance with the Board's decision served November 3, 2009, in the above-referenced matter, US Magnesium, L.L.C. and Union Pacific Railroad Company have conferred and agree to proceed based on the current record, in light of their desire to avoid additional costs, uncertainty and delay. The parties are proceeding with the understanding that the Board will apply to the existing record the same "final-offer" procedure for selecting comparison groups, and all other aspects of the Three Benchmark methodology set forth in the Board's *Simplified Standards* decision served September 5, 2007.

Thank you for your attention to this matter.

Sincerely,

Thomas W. Wilcox

Counsel for U.S. Magnesium, LLC

Thomas W. Walcon forer

Michael L. Rosenthal Counsel for Union Pacific Railroad Company